GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA

UNSTARRED QUESTION NO:2970
ANSWERED ON:18.08.2004
INVESTMENT OF MTNL FUNDS
Manvendra Singh Shri

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the MTNL after its formation invested its funds in the schemes of other departments to increase its earnings;

(b) if so, the details thereof;

(c) the details of the companies where the MTNL invested its funds and now they are not refunding the amount or the companies have become bankrupt; and

(d) the steps being taken by the Government to recover its money?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFROMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) Yes, Sir.

(b) The details are as under:

Name of Institutions Investment	Amount and date of Investment	Nature of
M/s ITI Ltd. (A PSU under Ministry of Communications & IT) Shares.	Rs. 100 crores on 31-03-2002	8.75% Cumulative Redeemable Preference
M/s Maharashtra Krishna Valley Development Corporation (A Govt. of Maharashtra Undertaking) is upto date.	Rs. 250 crores on 14-05-2002	Secured, Redeemable Bonds, having Interest rate of 11.5% p.a. interest payment

(c) & (d): Not applicable as redemption of the investments is not yet due.